

CITY OF HORSESHOE BAY

CITY COUNCIL PUBLIC MEETING

June 20, 2006

The Council of the City of Horseshoe Bay attended a Public Ceremony at 2:45 p.m. on Tuesday, June 20, 2006, on the grounds next to the City Hall for the presentation and acceptance of grants from PEC, LCRA, Horseshoe Bay Resort, Signographics, and Marble Falls Area EMS dedicated to the Public Safety Police and Fire Patrol Vessel. General Manager Mike Thuss welcomed the guests and introduced LCRA representatives Kathryn Adair and Rusty Pancoast, The Resort representatives Douglas Jaffe and Ron Mitchell, Signographics owner Frank Enbody, and Marble Falls Area EMS Director Johnny Campbell. Mr. Thuss then introduced Mayor Lambert. The Mayor expressed his appreciation to all of those who made donations and to the City Council for approving the purchase of the patrol boat. He also thanked Police Chief Bill Lane and Fire Chief Danny Wooten for their efforts in obtaining the grants. At this time, Mr. Pancoast presented the keys to the Mayor.

The Council of the City of Horseshoe Bay held a Public Meeting at City Hall, located at #1 Community Drive, Horseshoe Bay, Llano County, Texas, June 20, 2006, in accordance with duly posted notice of said meeting. Mayor Lambert called the meeting to order at 3:00 p.m. with a quorum of Council Members present as follows:

Robert W. Lambert, Mayor
James E. Babcock, Mayor Pro Tem
John Bird, Alderman
Don Wood, Alderman
Karen Wines, Alderwoman
Buddy Schrader, Alderman

The posted agenda for this meeting is made a part of these minutes by attachment and the minutes are herewith recorded in the order the agenda items were considered with the agenda subject and item number shown preceding the applicable paragraph.

1. Call to Order and Establish a Quorum: Mayor Lambert called the Public Meeting to order at 3:00 p.m. with a quorum present. Reverend Pete Christy from the Church at Horseshoe Bay led the invocation. Mayor Lambert then led the pledge of allegiance to the United States Flag and the Texas Flag.
2. Comments from Mayor: Mayor Lambert welcomed the guests and asked that anyone wishing to speak sign in and note the agenda item. He announced the acquisition of the Public Safety boat and thanked Pedernales Electric, LCRA, Horseshoe Bay Resort, Signographics and Marble Falls EMS for their donations toward the boat. He also thanked Police Chief Bill Lane and Fire Chief Danny Wooten for their work in obtaining the grant.
3. Comments from Aldermen: There were no comments from Alderman.

4. Public Comments: There were no Public Comments.
5. Items to be Removed from Consent Agenda: There were no items removed from the Consent Agenda.
6. Consent Agenda Items: Alderman Bird made a motion to approve the Consent Agenda Items as submitted:
 - a. Approve Minutes of the June 6, 2006 Public Meeting; the June 7, 2006 Public Hearing and Workshop and the June 12, 2006 Public Hearing and Workshop
 - b. Final Plat Approval:
 - i. Replat of Lot No. 35006-1A, Horseshoe Bay Plat No. 35.16 to be known as Horseshoe Bay Plat No. 35.18, Llano County.
 - ii. Replat of Lot Nos. 17-A and 18-A of the Trails of Lake LBJ, Phase Two Plat to be known as the Plat of Lot No. 17-A and 18-A of the Trails of Lake LBJ, Phase Two, Llano County.
 - iii. Replat of Lot Nos. H24050 and H24051 Horseshoe Bay Plat No. 24.1, to be known as Horseshoe Bay Plat No. 24.15, Llano County.
 - iv. Replat of Lot No. H25033 and a 491 square foot tract out of the Nicolas Mendez Survey No. 3, to be known as Plat No. 25.9, Llano County.
 - v. Replat of Lot Nos. W12071 and W12072, Horseshoe Bay West Plat No. W12.1, to be known as Horseshoe Bay West Plat No. W12.9, Llano County.
 - vi. Replat of Lot No. 37063-DD3 of Horseshoe Bay Plat No. 37.15, to be known as Horseshoe Bay Plat No. 37.16, Burnet County.
 - vii. Replat of Lot No. W10008, Horseshoe Bay West Plat No. W10.1 to be known as Horseshoe Bay West Plat No. W10.5, Llano County.
 - viii. Replat of Lots 3, 4, and 5, of Siena Creek, Phase One, to be known as Replat of Lots 3 thru 5 and a 7' Reserve Strip Adjacent to Same Siena Creek, Phase One, Llano County.
 - c. Temporary Release of ETJ for Sandy Harbor
 - d. Annual Safety Golf Tournament
 - e. Resolution Providing for the Sale of Property Acquired by the Burnet Central Appraisal District at Delinquent Sale

The motion was seconded by Alderman Babcock. The motion passed by unanimous vote (5-0).

7. General Manager's Report: General Manager Mike Thuss reported the typical reports were included in their packet. The Investment Report reflects \$9.6 million in all accounts and the rate of return is up to 4.9%. Tax collections are at 97.28% year-to-date. The draw down in the accounts is due primarily to payments on the Central Water Treatment Plant, a debt service payment, and payment for the Fire Department air packs. The Budget Report reflects the Water Fund year-to-date operations and maintenance expenses are under budget and revenues are ahead of budget. There is a positive budget variance of over \$263,000. In the General Fund, year-to-date operations and maintenance expenses are under budget and revenues ahead of budget. There is a positive budget variance of over \$130,000. The Capital program is on schedule and under budget. Mr. Thuss stated the Water Treatment Plant's final activity is installing light poles and final site clean up. They expect to be off the site by the end of July. Unfortunately, we only received one bid for the Administration building and it is considerably more than the engineer's estimate for construction (\$250,000

vs. \$422,000). He recommended rejecting the bid and re-grouping and bringing a new recommendation to the Council. He stated we are all very appreciative of the fire/police boat. This has increased our capability and due to grant monies the City did not expend any capital program money for this increased ability. Mr. Thuss asked the Council to notice the new Utility Manager's report in their packet for review. He asked for comments from the Council as to what information might be added or removed from the report. The TWCA held its meeting at the HSB Marriott June 7-9 and was attended by 408 people. The City is a member. He stated the Mayor's opening remarks were well received and complimented by all. Alderman Schrader asked if the City had done everything needed to assist TxDOT in the preparation for the widening of Hwy 2147. Thuss stated the City has done everything required for TxDOT to proceed with the project. Alderman Wood noted that the Utility Manager's report was a very useful tool. He also noted the wastewater system is not too many years away from needing to increase capacity.

8. Preliminary Plat Approval: Mayor Lambert stated there are three plats to approve on a preliminary basis. He stated Item 8.b. does not have all of the required administrative information and asked for a motion to decline the preliminary approval of this plat. Alderman Wood made the motion to decline the preliminary approval of Item 8.b. The motion was seconded by Alderman Babcock. The motion passed by unanimous vote (5-0). After some discussion of the lot addressed in Item 8.a. being partially in the flood plain, Alderman Schrader made a motion to approve the remaining preliminary plats. The motion was seconded by Alderman Wood. The motion passed by unanimous vote (5-0).
9. Amendment to Comprehensive Development Plan: Mayor Lambert stated the Council had anticipated approval of the Amendment to the Comprehensive Development Plan which will make it 100% consistent with the Zoning Ordinance. However due to last minute suggestions for additional changes, action will be deferred until the July 25, 2006 Council meeting.
10. Zoning Ordinance: Mayor Lambert noted over the last three weeks, the Council has held two public hearings and three workshops, with the most recent one this morning. He thanked all the Council for their diligence in accomplishing completion of the Zoning Ordinance. He expressed his appreciation to the many members of the public who also spent many hours at the meetings. Mayor Lambert then addressed the additional changes to the Zoning Ordinance recommended at the workshop. In Applehead Zone 2 the recommendation is to change seven lots that are shown on the maps from multi-family to single family. In the Plenty Hills area of HSB West there are nine multi-family lots shown as R-4 and all of those will now be classified as R-1. There are twenty-four lots in the area around Broken Hills, High Valley, Mountain Leather and Apache Tears that the Council recommended changing the zoning to prohibit apartments, to require at least one garage per unit, to require at least 50% masonry on each side and have a minimum size of at least 2000 square feet per unit on the golf course and the first lot back and 1800 square feet per unit on any other of the properties. They also made necessary edit changes. At that time Mayor Lambert noted that Doug Mackey had signed up to speak on this agenda item. Mr. Mackey stated that he represents NRPI and that they own over half of the 24 lots in that area. He then read a memo from Mike Smith, Regional Manager with NRPI, addressed to the City of Horseshoe Bay City Council in which he stated that because they did not receive formal

notice of this discussion regarding rezoning this area which directly affects property they own, NRPI formally requests that this discussion be tabled until such time as to allow them adequate preparation so that they can provide input for discussion in which they may be personally represented. Mayor Lambert thanked him for his comments and then asked the Council for any additional questions or comments. There being no further discussion, Alderman Babcock made a motion to pass the Zoning Ordinance with the recommended changes. The motion was seconded by Alderman Wood. The motion passed by unanimous vote (5-0).

11. Annexation Request by Kelly Leach and Charlie Doege: Mayor Lambert stated this is a follow-up to a presentation made at the last Council meeting regarding annexation into the City of property located at the intersection of Hwy 71 and 2147 across from Bay Country. He noted that the project would be a Planned Development Zone as defined in the Zoning Ordinance. Alderman Wood stated there was no petition by the land owners requesting annexation; therefore, he was unsure what the developer was requesting of the City Council. Alderman Wood noted that in the past anyone requesting annexation into the MUD District paid for all necessary studies and the cost of extending services to the area. The Mayor noted that even if the City proceeds with the studies, there is no guarantee that the City will agree to the annexation. After some discussion there was no action taken.
12. Adjournment: Alderman Wood made a motion to adjourn. Alderman Bird seconded the motion. The motion passed by unanimous vote (5-0) and the meeting was adjourned at 3:30 p.m.

APPROVED this 25th day of July, 2006.

/S/
Robert W. Lambert, Mayor

ATTEST:

/S/
Toni Vanderburg, City Secretary